

REMARKS

Claims 1 – 11 and 13 – 46 are pending in the instant patent application. Claim 12 has been canceled. Claim 9 has been amended to more particularly point out and distinctly claim the subject matter which the applicant regards as his invention and to present the claim in better form for consideration.

Claims 1 – 46 have been rejected under 35 U.S.C. § 101 as being drawn to non-statutory matter. The rejection appears to be based on a “technological arts” test that requires a claim recite a technology. Applicants respectfully submit that the non-statutory matter rejection based on the “technological test” is improper and request that the rejection be withdrawn. The Board of Patent Appeals and Interferences in *Ex parte Lundgren*, 76 U.S.P.Q.2d (BNA) 1385 (September 28, 2005) determined that “there is currently no judicially recognized separate “technological arts” test to determine patent eligible subject matter under Section 101.” Therefore, a rejection based on the “technological arts” test is improper and should be withdrawn.

Independent claim 44 has been rejected under 35 U.S.C. § 102(b) as being anticipated by Wolfberg (U.S. Patent No. 5,214,579). Specifically, the Office Action asserts that col. 9, lines 1 – 10 and 21 – 26 anticipates claim 44.

“A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference. *Verdegaal Bros. v. Union Oil Co. of California*, 814 F.2d 628, 631 (Fed. Cir. 1987). See also MPEP §2131.

Applicant respectfully submits that Wolfberg does not teach each and every element of claim 44 and in particular does not teach “automatically increasing the total difference by a reserve factor.” Wolfberg does not teach a reserve factor and only reserves the total difference between the value of the funds and the guaranteed accumulation investment amount. Furthermore, Wolfberg does not teach “increasing

the total difference by a reserve factor.” Wolfberg does not teach each and every element as set forth in the claim and therefore cannot anticipate the claim.

Applicant respectfully requests that the rejection of claim 44 under 35 U.S.C. § 102(b) be withdrawn because Wolfberg does not teach each and every element of claim 44.

Independent claims 1, 6, 9, 27, 32, and 35 have been rejected under 35 U.S.C. § 103 as being unpatentable over Anonymous (Asset allocation programs: "A partnership between operations and investments") in view of Wolfberg (U.S. Patent No. 5,214,579). Independent claims 24 and 32 have been rejected under 35 U.S.C. § 103 as being unpatentable over Anonymous in view of Wolfberg and further in view of Lane ("Designing Investment Strategies for Fixed-Income Portfolios").

Applicant respectfully traverses the rejection of the claims under 35 U.S.C. §103 for the following reasons.

To establish prima facie obviousness of a claimed invention, all the claim limitations must be taught or suggested by the prior art. M.P.E.P. 2143.03 citing *In re Royka*, 490 F.2d 981 (CCPA 1974). A finding of obviousness under 35 U.S.C. § 103(a) requires a determination that the differences between the claimed subject matter and the prior art are such that the subject matter as a whole would have been obvious to one of ordinary skill in the art at the time the invention was made. *Graham v. Deere*, 383 U.S. 1 (1966). The relevant inquiry is whether the prior art suggests the invention and whether the prior art provides one of ordinary skill in the art with a reasonable expectation of success. Both the suggestion and the reasonable expectation of success must be found in the prior art. *In re Vaeck*, 947 F.2d 488 (Fed. Cir. 1991).

In rejecting claim 1, the Office Action asserts that page 3, lines 28 – 35 of Anonymous teaches “determining a pattern of investments to meet the preselected guaranteed amount” and “applying the diversification guideline to the information file to determine whether the information file meets the guidelines.”

Applicant submits that Anonymous does not teach "a pattern of investments to meet the preselected guaranteed amount." Anonymous apparently teaches fund managers a way to justify their high management fees but provides no guaranteed amount to an investor in the fund. Applicant respectfully requests that the rejections against independent claim 1 be withdrawn because a *prima facie* case of obviousness has not been made since the combination of Anonymous and Wolfberg does not teach each and every limitation of independent claim 1. Applicant requests that rejections against claims 2 – 5, which depend on claim 1 be withdrawn because claim 1 is allowable.

In rejecting independent claim 6, the Office Action asserts that col. 5, lines 38 – 46 of Wolfberg teaches "inputting a probability of the projected accumulation investment amount exceeding the preselected amount." The Office Action further asserts that Anonymous at page 3, lines 13 – 20 teaches "automatically searching predetermined probability distribution functions for potential funds for the fund mix."

Applicant submits that the cited portion of Wolfberg does not teach "inputting a probability of . . . exceeding the preselected amount." Instead, the cited portion of Wolfberg merely defines the meaning of "excess funds" and is completely silent regarding the probability of generating "excess funds." Similarly, the cited portion of Anonymous merely teaches selecting assets to balance the risk and return of those assets. Anonymous is completely silent regarding "searching predetermined probability distribution functions" as claimed in claim 6. Neither of the above-mentioned claim limitations are taught by Wolfberg or Anonymous and the combination does not teach every limitation of claim 6. Therefore, Applicant respectfully requests the withdrawal of the rejection against claim 6 because a *prima facie* case of obviousness has not been established.

In rejecting independent claim 9, the Office Action asserts that Anonymous, at page 3, lines 21 – 27, teaches "completing a projection method parameters file in which various parameters are identified, including parameters set by the user based upon investment goals selected by the user."

Claim 9 has been amended to broaden the scope of the claim by deleting "parameters set by the user based upon investment goals selected by the user" and to more particularly point out the subject matter which the Applicant regards as his invention by adding "a probability that a fund will exceed a projected yield in any year." The addition is fully supported by the specification at page 19, lines 9 – 10 of the PCT published application. Therefore no new matter has been added. Applicant submits that claim 9, as amended, is in condition for allowance and requests the withdrawal of the rejections against claim 9. Applicant requests the withdrawal of the rejections against dependant claims 13 – 14, 16 – 17, and 45 – 46 because these claims depend from claim 9 and claim 9 is allowable.

In rejecting independent claim 27, the Office Action admits that Wolfberg does not disclose "selecting one from the plurality of monthly charges that produces zero value for the probability and distribution produced." The Office Action asserts that it "would be possible by simply selecting the appropriate value from the plurality of charges and could easily be accomplished in the Wolfberg method."

Applicant respectfully submits that whether a reference could possibly perform a limitation of the claimed invention is irrelevant to making a *prima facie* case of obviousness. The reference must teach or suggest the claimed limitation. Wolfberg is completely silent, as the Office Action admits, regarding the plurality of monthly charges. The only teaching or suggestion for "selecting one from the plurality of monthly charges" comes from the Applicant's own specification and appears to be improper hindsight reconstruction. Applicant submits that claim 27 is allowable and requests the withdrawal of the rejection against independent claim 27 and claims 28 – 29. which depend on claim 27.

In rejecting independent claim 32, the Office Action asserts that Wolfberg, at col. 32, lines 46 – 50, teaches "automatically generating withdrawal and deposit instructions for the plurality of funds." Applicant respectfully submits that Wolfberg does not teach the claimed limitation but instead describes means for storing indicia in account files related to achievement of the predetermined rate of return on the initial investment

base. Wolfberg does not teach or suggest “generating withdrawal and deposit instructions” but merely records how well the initial investment is on track to achieve the predetermined rate of return. Applicant requests the withdrawal of the rejection against claim 32 because of *prima facie* case of obviousness has not been made as the combination of Wolfberg and Anonymous does not teach every limitation of the claimed invention.

In rejecting independent claim 35, the Office Action asserts that Anonymous discloses “a method for processing for a user a guaranteed accumulation investment amount” and, at page 3, lines 26 – 27, “automatically generating a proposal for a guaranteed minimum benefit rider.” The Office Action appears to equate Anonymous’ “allocation model” with the claimed “guaranteed minimum benefit rider.”

Applicant respectfully submits that Anonymous does not teach “automatically generating a proposal for a guaranteed minimum benefit rider.” The allocation model recommended by Anonymous does not guarantee a minimum benefit and does not offer to the investor a rider to memorialize the guarantee. Applicant requests that the rejection against claim 35 be withdrawn because the combination of Anonymous and Wolfberg does not teach each of the limitations of the claim. Applicant requests that the rejections against claims 36 – 39 be withdrawn because they depend on allowable claim 35.

With respect to the rejections based on the combination of Anonymous, Wolfberg, and Lane, Applicant respectfully submits that the combination is improper because Lane actually teaches away from the claimed invention and one of skill in the art would not look to Lane to modify the combination of Anonymous and Wolfberg.

Lane teaches investment strategies for fixed-income portfolios comprised entirely of debt instruments with a large portion (90%) in low-risk, low-yield government debt such as US Treasury Bills, US Treasury Notes, and Federal Agency Bonds. The strategies used for investing in debt instruments are very different than the strategies

used for managing funds of equity instruments such as stock or funds of variable annuities.

Furthermore, Wolfberg at col. 10, lines 32 – 39 explicitly states that his invention is based on placing the initial investment base into higher-yielding funds, not the low-yield government debt instruments disclosed in Lane. One of skill in the art would know that using the low-yield bonds of Lane in Wolfberg's method would fail to generate the predetermined guaranteed minimum rate of return at the heart of Wolfberg's invention. Therefore, there is no motivation to combine Lane with Wolfberg because of the very low likelihood that the combination would even work. The combination appears to be the result of hindsight reconstruction using the Applicant's own specification as a blueprint. This is improper.

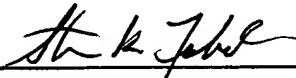
Applicant respectfully submits that the rejections based on the combination of Anonymous, Wolfberg, and Lane is improper and a *prima facie* case for obviousness has not been made. Therefore, Applicant respectfully requests that the rejections against independent claims 24 and 30 and dependent claims 2 – 3, 7 – 8, 10 – 11, 15, 18 – 21, 23 – 26, 30 – 31, and 41 – 43 be withdrawn.

Applicants respectfully request entry of the foregoing amendments and remarks into the file history of the above-identified application. Applicants believe that each ground for rejection has been successfully overcome and/or obviated, and that all pending claims are in condition for allowance. Withdrawal of the rejections and allowance of the application are respectfully requested.

No additional fee is believed to be due in connection with filing of the instant request. However, if an additional fee is due, please charge the required fee to Morgan, Lewis & Bockius LLP Deposit Account No. 50-0310.

Respectfully submitted,

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